

THE PRESENT STATE OF GERMANY

A LECTURE DELIVERED IN THE UNIVERSITY
OF LONDON ON NOVEMBER 20TH, 1923, WITH
AN INTRODUCTION

BY

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TO
THE SENATE
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IN GRATEFUL ACKNOWLEDGMENT
OF
LEAVE OF ABSENCE
1914-1923

“ The great resource of Europe was in England ; not in a sort of England detached from the rest of the world, but in that sort of England who considered herself as embodied with Europe ; in that sort of England who, sympathetic with the adversity or the happiness of mankind, felt that nothing in human affairs was foreign to her.”—BURKE.

INTRODUCTION

THE Publishers have requested me either to expand this lecture or to write an introduction to it. Of the two evils I prefer the latter. The lecture is therefore printed exactly as it was delivered, without attenuation and without emphasis, nothing is added and nothing is taken away. This seems the more desirable as it has been widely, but by no means uniformly, reported in both the British and the French Press ; some newspapers have laid a certain sub-editorial emphasis on one aspect of the lecture, others on another, according to their own political complexion, with the result that a comparative reader, if such there be, might well think that the lecturer had spoken

with two voices. Yet all these reports were almost equally accurate even as they were equally incomplete. Some indeed there are who have acclaimed me as sympathising with the French, others as feeling for the Germans. All this is at least, I hope, some proof of impartiality.

The situation in Germany has not materially changed in the few weeks that have passed since these words were spoken, and my judgment on that situation remains what it was. It was arrived at as the result of long meditation and some experience, and for good or ill I abide by it. The oral form of utterance is retained, and there are thus, in the words of an old Jacobean writer, many things delivered rhetorically, and therefore many things to be taken "in a soft and flexible sense" and not to be subjected to the rigid tests of the syllogism. The life of the law, it has been well said, is

not logic, but experience, and the same is true of politics. And with politics, in the wider and Aristotelian sense, which, it will be remembered, is to some extent an ethical sense, of that much-abused word, this lecture was mainly concerned. It was an attempt at a diagnosis of a body politic vexed with many maladies, and the methods employed were those of clinical observation of the patient. It might even be said that they were also those of experiment, in that the writer was for four years a member of a Commission which performed on the body politic of Germany an almost surgical operation. You cannot forcibly disarm a great nation, to the extent of effecting the abolition of a system of conscription that has endured for fifty years and has spread its roots very deep, without cutting into the body of it, and in the process severing many

social arteries. It is not the only surgical operation to which Germany has been subjected under the Treaty of Versailles, though it is by far the most radical one. There have been the severance of Upper Silesia, of Posen, of the Saar Basin, of North Slesvig, of Danzig, of Alsace-Lorraine. Now it is a common experience in patients who have suffered amputation that their sensorial consciousness will retain long afterwards the memory of sensations originating in the member amputated and peculiar to it; such sensations endure and recur after the nervous tissue whence they came has been cut away, until there are times when the subject of them can, by no great effort, imagine that he is no longer maimed but is once again whole. Such moods persist in the national consciousness of Germany. It is the explanation of much that is happening in that country to-day.

I have spoken of some experience. Four years' residence in Germany is, I hope, some qualification for a certain ripeness of understanding about her. But not that sort of continuous residence in any one place which qualifies for an occupation franchise. The writer's duties took him far afield and his itinerary covered many tens of thousands of miles: across the great inhospitable plains of East Prussia, through the deep limestone defiles of the Black Forest, over the wooded uplands, haunted by all the legends of the "Nibelungen," of Thuringia, the sandy wastes of Brandenburg, the great *latifundia* of Pomerania, last stronghold of the Junkers, the highlands of Bavaria, the suave and undulating country of Saxony, the hills and plains of Silesia, the Hanseatic towns, the miniature states of the Mecklenburgs, the Ruhr and the Rhineland—wherever, indeed, a garrison, a police headquarters, a

depot or one of the recruiting stations of a Bezirkskommando might happen to be. For the old German Army, which was the German nation, cast its shoe very wide, and the task with which the Inter-Allied Disarmament Commission was entrusted resolved itself into nothing less than a great Doomsday inquest into the resources in men and in material of the whole country. Germany, like all the other belligerents, mobilised all her adult population and laid under contribution all her resources, she requisitioned everything from door-knockers to human hair, she "controlled" every factory and enlisted every workshop, and in her last agony she put forth all her strength.

An inquisition of such a searching character teaches one many things, and, of these, to avoid facile generalisations is not the least. I do not allude to the differences in habit and temperament

which divided a Würtemberg dragoon from his Prussian colonel, who could neither comprehend his *patois* nor understand his character, which make a Bavarian highlander uncouth alike in speech and dress to the sophisticated citizen of Berlin, which alienate the dour Westphalian—with whom “you can eat a whole sack of salt and know him none the better”¹—from the voluble and companionable Saxon. Nor have I in my mind the differences, no less arresting and profound, which strike the imagination of a traveller when he passes in a day from the ferrous concrete and steel girders of a Krupp “shop” in the Ruhr, which is the last word in modern industrialism, to the stone ramparts and machicolated towers of a little Bavarian town on the

¹ A German proverb which runs: “Mann kann mit einem Westfalen einen Sack Salz essen und mann kennt ihn noch nicht.”

Tauber, whispering from those towers the last enchantments of the Middle Ages. One may emphasise such differences too much and when you see an escutcheon to the right of the portcullis on the ancient bastion of Dinkelsbühl with the superscription "Remember the Black Shame, 1920,"¹ you are rudely reminded that the invincible tie of a common national sentiment unites the mediæval and the modern, and that a common pulsation may thrill the burghers of a remote and sequestered borough in Bavaria and the migrant artisans of the Ruhr. It is this unity amid difference, this resurgence of a new national consciousness, which is the most abiding impression left upon my mind after all these years in Germany. When I see—as I have seen a hundred times—a band of students marching in

¹ An allusion to the occupation of Rhineland by coloured troops.

column of fours with their sticks at the slope, I do not, like certain alarmists, see the cadre of a regiment nor the embryo of an Army Corps. It is not what I see, but what I do not see, that impresses me, or, if the reader likes to put it that way, alarms me. It is not the things that are seen, but the things that are not seen, which govern human destiny, not that which is temporal but that which is eternal. And of those things the soul of a nation is one. It is not the military evolutions of those students, pathetic to one, ridiculous to another, ominous to a third, which disturb me, it is the spirit which animates them. "Thrice is he armed that hath his quarrel just," and when I see a great nation animated like one man with a common feeling that it has been greatly wronged, then, indeed, I see a nation that may yet take captivity captive and, bursting the fetters which bind it,

sweep all before it in the assertion of its right to live. When Germany sees her jurisdiction violated and her citizens delivered over to the provost-marshal of the alien occupant, her territories mortgaged without any equity of redemption for an indefinite term under a perpetual threat of foreclosure, her repudiation of the rulers who wrought the war bringing with it no mitigation of terms for the subjects who have to bear the peace, her enemies seeking not to conquer her but to annihilate her, and herself bearing the brand of Cain upon her brow, an outlaw from the forum of international law and the council-chamber of the League, she sees herself in quite another light than that in which the Allies envisage her. She sees herself as one purged of her sins by her sorrows. This is the picture which presents itself to the German mind. Germany during the last five years has, in

Burke's memorable phrase, gone through great varieties of untried being. The mood of arrogance is passing or has passed; the sense of guilt, never perhaps very strong, and certainly never amounting to contrition, has given place to a sense of wrong. She has forgotten the early years of the war, with their lust of annexations, and only remembers the last of them with its fight for existence. For she has now convinced herself that during those fateful summer months she was defending her right to live against those who sought to deny it. I have seen many war memorials in Germany. The ugly masses of masonry with their boastful inscriptions commemorating the crushing triumphs of blood and iron in 1870 interested me but little and impressed me not at all. But there is an elegiac memorial of quite another kind which has left on my mind a profound impression.

In the course of a pilgrimage to the wooded hill at Ilmenau where Goethe wrote the greatest of all his lyrics, a breakdown in my car brought me to a halt at Weimar at the gates of the cemetery where Goethe sleeps. Within the gates was a small temple, exquisite in its Grecian simplicity, over whose portico were the words, "Den Gefallenen der Stadt Weimar."¹ As I entered it my eyes fell on the half-kneeling figure in granite of a young warrior, with his hands clasped on the hilt of his sword and his face uplifted in petition. I looked around me. I saw nothing on the walls but the names of the fallen, and above them a single sentence: "Greater love hath no man than this, that he lay down his life for his friends." Nothing vainglorious accompanied it, no boastful incantation disfigured it. It was the poignant expression

¹ "To Weimar's Fallen."

of a common conviction that these men had died that their country might live.

“My people, learn to suffer without complaining.” “Meine Gemeinde, lernen zu leiden ohne zu klagen !” The occasion on which I heard these words was not less remarkable than the spirit which animated them. It was at a sermon by a former court preacher in the Nikolai church in Berlin at a service organised by the German Officers’ Union as a memorial to her who had died in exile with sorrow’s crown of sorrow doubly crowned. To the height of that argument the preacher rose and from it he never descended. A vast audience listened with rapt attention amidst a silence that could be felt and at its conclusion went out noiselessly into the night. It is in moments such as these that the alien intruder seems suddenly to feel the pulse

of a nation, to interpret its sentiment, to divine its thoughts, and almost to hear the beating of its heart. At such moments he is almost spell-bound—he “cannot choose but hear”—and he realises almost intuitively that nothing ever did and nothing ever can extinguish the soul of a people, that the mystical image of Burke figuring the life of a nation as a partnership between the living and the dead which no human agency can dissolve is no fiction of political speculation, but the expression of an immortal truth. Many a nation has died by its own hand, but none by the hand of another. It is an intuition which has come to me, not once but often in the last four years—on the heights of the Wartburg when in the twilight I heard a group of students singing Luther’s massive hymn,¹ in the streets of the Unter den Linden when I listened to the

¹ “Ein’ feste Burg ist unser Gott.”

band of an infantry battalion playing the national anthem, in the stalls of a theatre when the audience joined the orchestra in the solemn chant ¹ sung by the soldiers of Frederick the Great on the stricken field of Leuthen, and most of all when, like a still small voice, there greeted me on a wreath at the grave of a fallen soldier in a village cemetery in Thuringia the words of his children: "Gewidmet von Deinen dankbaren Kindern." ²

Some readers who have borne with me thus far may be moved to exclaim, "Go to! This is a pro-German." I confess to no such partiality. But no man, certainly no Englishman, can live long in a foreign country without taking an interest in its inhabitants, whether the motive of that interest be sympathy, affection, or merely that humane curiosity which finds expres-

¹ "Nun danket alle Gott."

² "In grateful dedication from thy children."

sion in the sentiment “*humani nihil a me alienum puto.*” Such has always been the temper of Englishmen. During the months immediately following the ratification of the Treaty, we had many military missions—in each of the new Baltic States and thereabout—and they met for periodical conferences at the Headquarters of General Haking, then in command at Danzig. “It’s an extraordinary thing,” General Haking once remarked to me, “but if you plant an English officer in a foreign country he immediately ‘adopts’ the inhabitants and won’t hear a word against them; this conference of mine is like a bear-garden: the head of the mission in Esthonia swears there are no fellows like the Esthonians, one backs the Latvians, another the Lithuanians, a third won’t hear a word against the Finns, and a fourth puts his last shirt on the Poles.” True, no

British officer, with one possible exception, on the Disarmament Commission ever felt quite like that about the Germans. They are not a lovable people ; they even take a melancholy pride in the fact.¹ But they are unmistakably and with all their faults a great people, and they can never remain a negligible factor in the future of Europe.

In the lecture which follows, the writer has attempted among other things to trace, within the limited compass of an hour's utterance, the steps by which the German national consciousness has reached the conviction that the Allies have sought and still seek her annihilation. Nothing has been more astute than the way in which the militarist and monarchist party in Germany, lifting once again the head it

¹ Thus Treitschke of the East Prussians : " Much of their greatness lay in their total lack of that kind-heartedness [" Gutmutigkeit "] which is so wrongly exalted as a German virtue " (*Das deutsche Ordensland Preussen*, p. 6).

bowed so low during the November Revolution, has both encouraged this conviction and exploited it. The origin of it can be traced back principally to those clauses of the Treaty which saddled Germany with unliquidated damages for a generation and more than a generation. Whatever may have been the difficulties—and assuredly they were not small—in the way of an immediate assessment of Germany's "capacity to pay," it was a fatal policy to impose a vague floating charge over all her assets, whether public property in the shape of State undertakings or private in the shape of taxable capacity, to defer the assessment of that charge and, I think—though this is debatable—to exclude all appeals to an impartial tribunal of arbitration against the weight of it. The Allies appear to have overlooked the elementary fact that men live by hope, if not by faith, and that no man will work till the last

hour of the day if he labours under the conviction that all the fruits of his toil will be annexed by another. A peasant will work with the sweat of his brow to redeem a mortgage on land that is his own, if there is any hope of redemption within his own lifetime, but what serf will toil so devotedly merely to cultivate his lord's demesne? From that point of view the economic exploitation of the Ruhr by the French is even more fatal than the delay in liquidating the liabilities of Germany as a whole. Nothing indeed can extinguish the German passion for work, for there are no people in the world more industrious, and Germans have worked since the Armistice as even they never worked before. But so also have they spent as they never spent before. It was inevitable. There is no spendthrift like a bankrupt. Not all this spending, indeed, has been purely sumptuary. Much

of it has been far-seeing investment. I refer not merely to investments in foreign securities, large though those undoubtedly are, but to investment in that sort of undertakings which neither moth nor rust corrupts—investments by the State as well as by the individual. A whole chapter might be written on what Germany has done since the War under the magic rubric of “Wiederaufbau” or “Reconstruction.” With us the word “Reconstruction” is a word of ill-fame. The moment we discovered that the new Jerusalem in our green and pleasant land was merely a euphemism for the new bureaucracy, we “scrapped” the Ministry of Reconstruction and all its works—wisely, no doubt. But with the Germans “Reconstruction” is a name for the vastest, most far-seeing and most fruitful schemes of State enterprise ever undertaken even by the nation which, in Lord

Birkenhead's memorable words, "thinks of everything." The subsidising of "key industries," the development of interior lines of communication, the reduction of railway rates, the promotion of State factories for the manufacture of synthetic ammonia and aluminium, the contributions to vast electric-power stations—all these are but a few of the undertakings upon which public moneys have been lavishly expended, and all of them, be it remarked, have a military usefulness, although I do not say that that is their primary object. The Reich and the States have entered on plans of state partnership (*Vergesellschaft*) in the economic sphere to an extent undreamed-of in the days of the Hohenzollerns, and with a unity of purpose which makes the plans of the latter seem almost mediæval in comparison. Rathenau's dream of an "Economic General Staff" is in a fair

way to be realised. The instrument of this policy has been inflation. That many an individual German citizen has suffered—nay, has been ruined—in consequence is, of course, true. Inflation is, after all, only another form of taxation, and of all forms of taxation the most unjust even as it is the most indiscriminate. It is, indeed, a capital levy of the worst kind. But I am not at all sure that the German Government has been quite as blind to the consequences to the individual as some people think. Lord D'Abernon has told the writer more than once, when discussing the financial policy of the German Government and of the Reichsbank—they are no longer quite the same thing—that the Germans “understand finance but not currency.” With all respect to such an undoubted authority, I venture to think that the German authorities have known perfectly well what they

were doing. They had had four years and more—for the “unsoundness” of German financial and currency methods dates back to quite early in the war—in which to learn—and they are far from stupid—before they entered on the financial policy of subsidising passive resistance in the Ruhr which gave the final push to the collapse of the mark. By that time they knew perfectly well, if they did not know before, that the policy of inflation meant unutterable ruin to whole classes, and those the most deserving, of the population. But nothing is more characteristic of the German temperament than its utter callousness to the suffering of the individual. In no country in the world are the rich less conscious of their responsibilities towards the poor, in none is human life so cheap, nowhere are the military and the police so ruthless, and never since the worship of Moloch have so many victims

been sacrificed on that altar of "the State" which German philosophers have sought to idealise as a kind of mystical expression of the "General Will." There is a "mark fodder" just as there was a "cannon fodder," and the sacrifice has been equally deliberate. Just as whole "classes" of immature youth were thrown into the hecatombs of Verdun, so whole classes of the social order have been sacrificed in the struggle for the Ruhr. It has been war *à outrance*, and the doctrine that moderation is an "absurdity" in war is as old in Germany as Clausewitz and as new as Ludendorff and Dr. Cuno. Political convulsions produce new forms of national government but they do not change a nation's character and the substitution of a republic for a monarchy has made no difference in this respect—there is the same ruthless disregard of the individual as there was before, the same

cynical belief that the end justifies the means. Our French friends are too apt to forget that if they can, by a very doubtful process of legal reasoning, project a state of war into a state of peace to justify the jurisdiction of their *conseils de guerre* in the Ruhr, so also can the Germans justify to themselves every departure from the principles of "sound" finance and constitutional government, and with it every emergency measure. Now the worst of such emergency measures is that, ruinous to the individual though they may be, they keep alive in the nation the idea of mobilisation. We in this country flatter ourselves that the war ended on January 10, 1920 ; a future generation may yet describe the period in which we are living as an armistice during which the war was continued by other methods than rifle and howitzer, only to be resumed in all its carnal horror

after the lapse of a few ambiguous years.

The verdict of history on the Treaty of Versailles and, indeed, on the Treaty of St. Germain has yet to be pronounced: a later generation than our own will be empanelled to try that issue. But it is easy enough, even at this short distance of time, to discern its ambiguous character. Its prolegomenous sentiment about "scruples" and "open, just, and honourable relations" between nations already wears an antique air, and one entirely foreign to nearly all that follows, and the German, with a lively recollection of each failure to secure a reference of his grievances under the Treaty to that League of Nations which is so solemnly introduced into it, regards all the Allies as equally infected with that same sanctimonious hypocrisy which Treitschke thought the peculiar characteristic of one of them.

The Allies had, indeed, very good reasons for decreeing that a "close season" should elapse before Germany was admitted to the League, in order that she might first purge her contempt of the law of nations. They had reasons, hardly less good, in some cases at least—most notably disputes as to the disarmament clauses—for rejecting her petitions for special leave to appeal to the League, inasmuch as those petitions were nearly always those of a litigant who is merely playing for time. The desperate diplomatic battle which Germany fought in 1920, and only lost at the Conference of Spa, to retain the skeleton of the whole of her old Army system is illuminating on that point, although it would take me too far afield to tell the story here,¹ and some

¹ That the German design to preserve her old Army *in cadre* was defeated, if only temporarily defeated, at the Spa Conference was due mainly to General Nollet, the President of the Allied Military Control Commission in Germany, upon whose staff the writer had the honour to

of it is still secret history. She was much nearer winning it than is commonly supposed, and the spectre of the Bolshevik menace which the accomplished scene-shifters of the Wilhelmstrasse so ingeniously put on the stage was almost too much for one influential member of the British Cabinet. But the rejection of all these appeals to arbitration has had one most unfortunate result. It has completely disfranchised any opinion there was—and some there was—in Germany in favour of the rule of law among nations. By a strange paradox the Allies, who went to war to vindicate the law of nations, and

serve for four years and of whose *Cabinet* he was a member. To General Nollet the Allied Governments, and the British Government not the least, owe a debt of gratitude for his perspicacity, resolution, and acuteness. To these qualities he united a rare nobility of character. Whatever success may have attended the work of the Commission in securing the peace of Europe is due to him and to him alone. The German Press—and their mischief-maker, General von Cramon—reserved all their abuse for him.

the Germans, who opened their campaign with a public defiance of it, appear to have exchanged their rôles. The Germans, one may be sure, are not greatly concerned at the discredit into which the law of nations has fallen ; the great thing for them is that the Allies have also been discredited as the champions of it.

I have devoted some consideration in the lecture to the problem of what is called world disarmament. I have, as the reader will discern, little faith in the deliberations of that Committee of the League of Nations which puts forth from time to time elaborate paper schemes for its solution. With all respect, these gentlemen seem to me to be like those aboriginal tribes which, at the advent of the plague, sally forth to lay it by loud incantations and the beating of many gongs. The thing cannot be done. A reduction of armaments is not disarmament. Nor has

anyone yet devised a satisfactory "unit" of relative disarmament on land for the standardisation of the armed forces of nations which differ, each from every other, not merely in the number and character of their population, but in the strategic aspect of their frontiers, the police problems of their overseas possessions, and a hundred other relevant things. To arrive at such a unit is difficult enough, but it is not the only difficulty. Let me by way of conclusion enforce the point by a few illustrations drawn from my own experience on the Commission for the Disarmament of Germany. And in this connection my readers must remember at the outset that the disarmament of Germany, although nominally a covenanted disarmament, was in reality a disarmament imposed by force ; it might in fact be described as the enforcement of a capitulation which the Armistice had left

incomplete. It was, indeed, often painfully obvious to us that the parties to the contract were not *ad idem*. To that extent the lessons to be drawn from it, the difficulties encountered, the controversies provoked, the differences of interpretation aroused, and indeed the passions excited, are of limited application in any consideration of the problem of what is called "World Disarmament," in other words reciprocal disarmament by mutual consent. If and when such disarmament emerges into the sphere of practical politics and is embodied in a Convention at Geneva, at The Hague, or at Washington, there will no doubt be an impartial tribunal to decide the issues (and I can assure the reader they will be many) that will inevitably arise. In this case there was none such. The supreme authority in matters of dispute was the Council of Allied Ambassadors at Paris, and when the

German Government proved contumacious there was always in the background the sanction of force, culminating in what is known as the Spa Ultimatum. Notwithstanding this peculiarity of the situation, there are many lessons for statesmen, soldiers, and lawyers to learn from the difficulties presented by the disarmament of Germany ; the difficulty, for example, of deciding what, especially in the case of a great industrial nation, constitutes effective disarmament of its military resources in the shape of plant for the manufacture of ordnance and munitions, what is to be understood by *matériel de guerre*, what is "military" expenditure and what is civil, whether military estimates can be masked under civil estimates, whether, indeed, there can be any standardisation of military expenditure between two countries with different systems of audit, appropriation, and balanc-

ing of budgets, and with differences in the purchasing value of money ; whether, to take the most difficult case of all, there can ever be any assurance that there is a mutual limitation of effectives by two contracting parties without such a minute reciprocal investigation of pay-sheets, strength returns, and nominal rolls of units as would involve such an inquisition into one another's affairs as no two sovereign States can ever be expected to tolerate. To all of which may be added that, even given good faith on both sides and a profoundly pacifist world, it will only be when armies are abolished altogether, or what is equally Utopian and remote, when the ideas of military organisation, training, and the conduct of war are in all countries exactly the same, that disputes about the interpretation of a covenant for mutual disarmament will be avoided. What, for example, is a com-

plementary cadre? A surplus of senior officers to establishment may be a cadre, a surplus of N.C.O.s may be a cadre, the presence of a pioneer officer in a medical unit may be a cadre. Supposing the nations agreed to abolish their Staff Colleges and their General Staffs, as organs for the preparation of war, and to confine their armies "to the maintenance of order and the police of the frontiers," what is a Staff College; and what is a General Staff?—is a course at Divisional Headquarters the one, does a Ministry of War constitute the other? What is a sporting rifle and what is a service weapon? When does a great engineering shop, whose plant is equally susceptible of being used to make a gun-tube and to make a compressed-air cylinder, take on such a special character by its grouping and "lay-out" as, in the language of the Prize Court, to "inflamm the presumption of

hostile use" and thereby become an "arsenal"? These are only partly questions of law, they are also questions of fact; but all of them arose in our own case, and they all turned on the interpretation of a diplomatic document. The fact that they should have arisen is not altogether hopeful for the future of international disarmament by an international covenant unless you assume that under no circumstances will any of the parties to such a covenant be tempted to put on it an interpretation peculiar to themselves. Even that Article¹ of the Covenant of the League of Nations to which its authors imputed such a peculiar sanctity, the Article which deprecates "the manufacture by private enterprise" of muni-

¹ ARTICLE VIII: "The Members of the League agree that the manufacture by private enterprise of munitions and implements of war is open to grave objections. The Council shall advise how the evil effects attendant upon such manufacture can be prevented."

tions and implements of war, was found by our Commission to be both delusive and ensnaring, and in determining what establishments should be allowed for the manufacture of the authorised scale of munitions we deliberately rejected it. The idea that private armament production is one of the causes of war I believe to be a complete fallacy. The argument that such firms stimulate competition in armaments seems to proceed on the assumption, reversing all economic theory, that supply creates demand. No doubt the competition of one armament firm with another tends to lower prices, and thus to stimulate demand, but it does not create it. If you have to choose, as we had to do, between the principle of a State arsenal and the principle of private firms for the production of a fixed output of munitions—and *ex hypothesi* all schemes of world disarmament must fix such out-

put—it is far safer to choose the latter. Armament production is so specialised at a certain stage (not, as I have previously pointed out, at all stages), that a private factory authorised to turn out a given quantity, and no more, of armaments will not find it commercially profitable to maintain an establishment out of proportion to its contracts. But commercial considerations are secondary considerations with a State arsenal. There are many other reasons, mainly technical, but I will not attempt to develop them here.

J. H. M.

LONDON,

December 20th, 1923.

THE PRESENT STATE OF GERMANY¹

THE present state of Germany is one of grave concern to everyone who believes—as who does not?—in the necessity to the peace and stability of Europe of a settled government in that distracted country. But on returning to England, after serving for four years in “unoccupied” Germany, I find the greatest diversity of opinion here as to the kind of Germany the Allies have to deal with. I read that she is at once bankrupt and wealthy beyond the dreams of avarice, that she is both contrite and contumacious; to one sect she appears an angel of light, to many a minister of

¹ The Chair was taken by Viscount Haldane, O.M.

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darkness ; some tell us she is armed to the teeth, others that she is stripped to her shirt ; to one she is an authentic republic, to another the republican regime is merely a rest-cure for a convalescent monarchy. Now it may not be necessary for us to sympathise with Germany, but it is of supreme importance that we should understand her. The only way to understand a country is to live in it. I hope, therefore, that you will not think me dogmatic if after four years *in partibus infidelium* I speak with an appearance of some assurance. I can only plead that during the time I have served in that country I have, in the course of my inspections of Army commands and police headquarters, visited every State and have had to deal, directly or indirectly, with the government of every State. I have had to study her army and civil estimates, and have followed, with faltering steps,

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her breathless output of legislation and the equivocal judgments of her courts; moreover, like most English officers serving in a foreign country, I have also had something more than a nodding acquaintance with her leading citizens.

If therefore I do not know modern Germany, my ignorance is, to adopt a plea of Burke, incorrigible, for I have spared no pains, and been conceded every opportunity, to understand her.

My difficulty indeed, to-night, is not that I know too little but that I know too much. There are many things which I have learnt in an official capacity which it would be neither considerate nor wise to reveal, and, speaking as I do in the presence of some distinguished representatives of the War Office, I should ill repay the kindness they have shown me and ill requite the trust they have reposed in me if I let fall one word that would add to the

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complications of a situation already too complex, a situation the gravity of which it is impossible to exaggerate and idle to conceal. And if that consideration ~~char-~~actens me, as it does, there is another consideration which almost intimidates me—it is the magnitude and complexity of my subject. To attempt to diagnose the condition of a nation of sixty millions of people vexed by every kind of political, social, moral, and economic disorder, and subject to convulsions each one of which seems more debilitating than the last, is not a light task. Germany to-day, deprived of vast provinces by enforced annexations, with their fugitive inhabitants seeking an asylum on her already too congested soil, with nearly every former outlet for the emigration of her surplus population closed to her, surrounded on every side by armed nations great and small as though encompassed

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in a shirt of steel, is in a condition to which I can think of no adequate parallel except that of Goethe's metaphor of the flower imprisoned in the vase whose growing roots struck vainly at the earthen walls of its tenement until disaster overwhelmed it. The condition of Germany is abnormal, and of one thing you may be sure. That condition cannot last.

Now let me say this at the outset: the German mind and the German character are not the same as the British. One of the commonest mistakes that Englishmen, especially of the doctrinaire and idealist type, make, is that of thinking that the people of other nationalities think in the same way, reason along the same lines, mean the same things, and observe the same moral standards as we do ourselves. It is a mistake. The mind of the average German—I speak not of Goethe and Kant, who belong to mankind—is as

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different from the mind of the average Englishman as the shape of his head, the cut of his clothes, and the idiom of his speech. A nation which reads its railway time-tables upside down, which says "one and thirty" where we say "thirty-one," which never reveals what it means to say until it has finished its sentences, with the tell-tale verb at the end, is a different nation from our own—different in thought, different in reasoning, different in imagination. Let me illustrate the difference between our and their points of view by a story which has the merit of being not only true but typical. A British gunner officer serving on our Commission was driving in the streets of Hamburg with a German chauffeur at the wheel. A German cyclist, cycling furiously on the wrong side of the road and with his head down, bumped into the car and did himself some damage. The British officer

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picked him up and took him in his car to hospital. When he had recovered, the ungrateful cyclist sued the chauffeur—thinking, doubtless, that our Control Commission would foot the bill—for damages. The British officer gave evidence in court which conclusively demonstrated that the negligence was not his or his chauffeur's, but the cyclist's. The judge replied, "That's all very well, Mr. Major [Herr Major], but, if you were in the right, how do you account for the fact that you picked the cyclist up and took him to hospital?" Would a British judge have said that? Could he have conceived that there was any dilemma there at all? Or let me take another case. Acting on information received, some Allied officers proposed to search a disused barracks at Potsdam for hidden arms. They were assured by a German general officer "on his word of

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honour"—a common form of imprecation in such cases—that there were no arms there. The Allied officers visited the barracks none the less, and one of them, perceiving that part of a ceiling appeared more newly whitewashed than the rest, mounted a ladder, poked with a stick, and brought down a tarpaulin; the tarpaulin concealed a trap-door, and the trap-door was discovered to lead to an attic packed with machine guns. The German general, on being confronted with the result, exclaimed with the sincerest indignation: "Well, I never thought a British officer would stoop so low as to poke his nose into an attic!" Now when I say that those incidents are typical, I mean this: German standards of conduct are not ours. You may think them better, you may think them worse—the point is that they are different. Germany is a land of philosophers, and for centuries

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German metaphysicians have been asking themselves the question, "What is Truth?" But that does not mean that Germans always tell it. There is an element of chicane in the German mind which you have got to take into account. Do not imagine that I am going to indulge in the vulgar antithesis of "anti-German." It interests me but little and appeals to me not at all. In the German character there is what there is in all of us—in you, in me—a power for good and a power for evil, and they wage eternal conflict in the soul of a nation as in the soul of an individual. The most profitable thing for us is, I submit, not to confine our search to what is evil in the German character, but to extend it to what is good and to decide what degree of responsibility rests upon us for giving just that fatal impetus to the one or the other which may determine the whole future of Germany's

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national development and with it the future of the world.

One event during the past twelve months has profoundly affected the whole temper of Germany. It is the occupation of the Ruhr. I will not discuss its wisdom—the ground is too delicate—but among many things of which I am doubtful, of one thing I am sure, and that is that the sooner the French occupation of the Ruhr becomes as “invisible” as it was originally intended to be, the better for the assuagement of the universal bitterness which it has aroused. Its legality I also will not discuss, although, as the author of the Rhineland Agreement and the person entrusted with the task of piloting it through the Versailles Military Committee in 1919, I hold very definite opinions on the subject. But *Quieta non movere*—nothing is to be gained by discussing it now. What is quite

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certain is that the occupation of the Ruhr has affected the hinterland of Germany with the same gangrene as Lecky ascribed to the influence of the English "Pale" on the rest of Ireland—"like a spear-point embedded in the living body it has inflamed all around it." Prior to that occupation an Inter-Allied Commission, on the Council of which I have been serving as British representative, had been engaged for three years in the invidious task of disarming Germany. We had met with every kind of resistance that German ingenuity could devise and every kind of excuse that German *naïveté* could invent, but so far as it is ever possible to disarm a country with a strong military tradition and a great engineering and chemical industry the ambiguity of whose plant defies the presumption of hostile use, we were, with that not unimportant qualification, within

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measurable distance of success. Obstruction there was always, duplicity often, and evasion not seldom, but there was little or no evidence that the general public, certainly not the working-classes, had any sympathy with it. There was, at least there appeared to be, a decline of militarism and a gradual smoothing down of asperities. But a generation would have been necessary to ensure any degree of permanence for our work. There were too many life-interests involved. There were the many general officers "ausser Dienst" ("on the retired list") suffering from that most incurable and febrile of all maladies, the malady of lost power. There was, there is, the Corps of German Officers, the strongest caste in the world and the most proud, and now as highly organised in the Deutsche Offiziere Bund, even down to its old regimental messes and its courts of honour, as ever it was ;

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there was and is the cadre of N.C.O.s, the guilds of gauge-makers, themselves an industrial cadre, the regimental associations numbering millions of men all organised on the basis of mobilisation and themselves affiliated to the Treaty Army in whose organisation their traditions are carefully conserved. And on the outer periphery there were those highly articulated secret, or semi-secret, societies which are one of the most disquieting features of public life in the Germany of to-day, and which grow and reproduce themselves like parasitic cells in the body politic inducing a chronic state of political debility. The efflux of time and the anodyne of forgetfulness might have operated to extinguish these life-interests and to liquidate these freemasonries. But the occupation of the Ruhr has changed all that. They have taken on a new lease of life. Never

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were these extra-constitutional forces so strong, never was the constitution so weak. If they once gain the upper hand, any "moral" disarmament—and it is the only disarmament that in the long run can be effective—which may have attended our work will be undone. We made a deep incision in the body politic when we secured, after an effort, the abolition of conscription; none deeper was ever performed on a great nation by an alien hand. But it may be that, as things are, there will in no long time be nothing to show for it but a cicatrice.

All this is, to my mind, a strong argument for the speedy settlement of the Reparations controversy on terms which will be such as to secure the continuance of constitutional government in Germany, for in its continuance lies almost the only hope of peace in Europe. Many genuine republicans have declared to me that the

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Treaty of Versailles ruined the chances of a republic in Germany ; the terms imposed were, they contended, so harsh, the fine so crushing, the servitudes so humiliating that they could not have been worse if Germany had never attempted to placate the Allies by sacrificing the Hohenzollerns. If the Hohenzollerns bear in Germany the discredit of the war, the republic bears the discredit of the Peace. All the monarchist factions taunt it with having signed a shameful capitulation at Versailles. Ludendorff has repeatedly said to the Socialists, "I warned you in the summer of 1918 that you would never placate the Allies by a Revolution—it was not the Hohenzollerns but Germany herself that they wished to annihilate, and you see the result." I am far, very far, from admitting that this is an argument for "scrapping" the Treaty of Versailles ;

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but it is an argument, and a strong one, for tempering its execution on every possible issue save one—the issue of disarmament. It is, indeed, possible that it may be too late to save the republican system in Germany—time alone can show that. Its congenital chances of life were, I admit, never very robust, and some at least of its office-bearers have regarded it as merely a kind of constitutional moratorium at the end of which the old monarchy was to be restored; a Reichskanzler and the Minister President of the most important, save one, of the States, have said to me as much. I don't want to give anyone away, but as the present Imperial Chancellor (Dr. Stresemann) has only last week confided ~~to~~ *The Times* his good opinion of the ex-Crown Prince, I am free, I think, to repeat what he said to me at a dinner-party in Berlin two years ago.

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In reply to my question, he said: "Yes, I am a monarchist, but the time is not yet ripe." "And your candidate?" I interrogated—"the Kaiser?" "Certainly not." "The Crown Prince?" The answer was an enigmatic smile. "But surely . . ." I began to reply, and before I could proceed further I was interrupted with, "Oh, yes, I know what you, like all Englishmen, think of him, but believe me, you vastly under-estimate him; all men have their youthful follies—have you ever reflected what the world would have thought of Frederick the Great if he had died while still Crown Prince at Reinsdorf?" It was an astonishing comparison, but the important thing is not its aptness or otherwise, but the fact that it should have been made. The Republic has thus suffered and still suffers from being administered by men who do not believe in it. All the Army

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officers, most of the judges, and a great many of the higher civil servants have no liking for it. It was none the less deeply rooted in the affections of the working-classes. Never since Moses came down from Sinai with the tables of the law has new legislation been so applauded. Never was there a revolution of the more constructive kind which on the surface appeared so complete. The working-classes fondly thought that in the Weimar Constitution and the revolutionary legislation which preceded it they had obtained all that they had ever dreamed and more than they had ever hoped. The whole face of society was, or rather appeared to be, changed. Entails were abolished, freedom of combination ~~was~~ extended to the agricultural labourer and the civil servant, "peaceful picketing" was legalised, military law was done away with, the "rights of the subject" were

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made an express covenant, the "educational ladder" was extended, the Church was disestablished, factory and workshop were made self-governing, the principle of expropriation in the public interest was enlarged, all distinctions of class, sex, estate, and creed were removed, the franchise was universalised, and the Soviet tendencies of the November Revolution were diverted from their initial Bolshevik objective into forms of "self-administration" by which Universities, schools, industries, professions, civil service, and even the Army itself were to be placed on a self-governing basis. Parliamentary government was introduced in its most democratic, that is to say, its most self-~~contradictory~~ form—the Referendum, the Initiative, the Recall, the admission of civil servants and holders of judicial office to the legislature, and the institution of standing committees of legislators to

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supervise the Ministry. But the Weimar Constitution and the new State constitutions were less a *lex perfecta* than a programme, and to a large extent they are in a state of arrested development. All revolutions in the long run, unless supported by a stable middle class and an educated political opinion, tend to revert to type. Nations schooled in the habit of autocracy merely exchange one form of it for another, and, indeed, the autocracy of a democratic Revolution is often more complete and more arbitrary than that which it has displaced, in proportion as it is the more specious. This is very much what is now happening in Germany. The powers of the Reichspresident under Article 48 of the Constitution far exceed any of the prerogatives of the Kaiser. They cover suspending and dispensing powers for a parallel to which we should have to go back to the days of the earlier

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Stuarts. During the whole four years I have served in Germany there has not been a period in which, taking Germany as a whole, these powers have been dormant. There has been a chronic state of martial law. Extraordinary tribunals, inventing a new kind of political jurisprudence, have been sitting at Leipzig for two years, at Munich for four. True, they have been nominally for the preservation of the existing order, but the precedents are perilous for German democracy. The ferocity of political warfare is ominous for the development of the parliamentary system, and political abuse, where it has stopped short of murder or intimidation, has taken forms so disgusting that they cannot be mentioned here.

What is the cause of all this? Why ~~has~~ the republican system never taken root? Upon the answer to that question

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depends any prospects of its survival. There are many causes. One is a kind of political *malaise*—I had almost said desperation. Few people in this country have any conception of what a shock the terms of the Treaty of Versailles were to the German nation. Coming upon a people already enfeebled and light-headed by malnutrition, they had all the effect of a blow on the head—they produced functional paralysis if not an organic lesion. The shock was all the greater as the Germans, certainly the republican element, really believed immediately after the Armistice that they were to share the blessings of the new gospel preached from Washington—a universal reign of peace on earth and good-will towards men. I could quote authority for that from the preambles of the earlier post-war constitutions. They fondly expected to be admitted to the

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League of Nations ; disillusion followed, and since the partition of Silesia there is none so poor to do it reverence. The figures of the Indemnity, first unfixed, then fixed too high, began, or at any rate accelerated, that process of financial dishonesty in the individual citizen which has ruined the *morale* of the German taxpayer ; many a German factory owner has said to us “ Of course I keep two sets of books—one for the Finanzamt [the tax collector], the other for myself. Why should I pay taxes for the French if the more I earn the more I shall have to pay ? ” You have to-day in Germany the spectacle of a whole community of taxpayers making, wherever it can, false ~~returns~~. This is fatal alike to the prestige of the Republic and to its authority. But a far more potent cause is the inflation of ~~the~~ the mark. It has destroyed the equipoise of society. It has ruined the

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middle classes and impoverished the workers. In diminishing the purchasing power of wages and destroying the financial reserves of the trade unions, it has undone all the independence they had appeared to achieve by the abolition of legal restraints on freedom of combination as the immediate result of which trade-union membership had multiplied four-fold in Germany. The whole elaborate structure of the miscalled "Parliament of Industry," top-heavy from the start, in which the lion was to lie down with the lamb and employer and employed were to co-operate for the common good, has proved to be the mere mirage of an industrial millennium that has never dawned. As for the middle classes, ~~they~~ are almost annihilated, both socially and economically. Never, I think, since the discovery of the New World and ~~the~~ influx of precious metals has there been

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such a forced transfer of wealth as has followed the inflation of the mark. It has been a tremendous solvent of society. It is not merely that thrift, the most characteristic of German virtues, has disappeared with the disappearance of the economist's "reward of abstinence"—a fixed rate of interest. The thrifty themselves have gone under. Everywhere the creditor has been sacrificed to the debtor—mortgagees, debenture-holders, lessors, insurance beneficiaries, annuitants, pensioners, owners of house property, holders of Government stock, have all been automatically impoverished. The courts have been choked with resulting litigation and litigants bewildered by conflicting decisions; but as a rule there has been no relief from this form of inverted usury, and, legally speaking, there could be none, for as long as the Government treated the mark as legal tender the judi-

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ary could not give decisions which would have the effect of repudiating it. But the result has been to destroy that *vinculum juris*, so observed in the letter, so broken in the spirit, which is the foundation of all civil society—the sanctity of contract. I know personally of a case in which a German, who had advanced the equivalent of £7,000 on a mortgage in 1914, was paid back by way of redemption and in full discharge of the debt the equivalent of less than £1. German lawyers have described the Civil Code to me as “demolished” (*niedergeschlagen*). Remedial legislation, although always in demand, has never overtaken the headlong course of inflation, and Germany presents at one and the same time the distressing spectacle of an increasing demand for legislation and an increasing impatience of law. Criminal law is almost equally discredited. So far as it rested upon

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statutory fines and penalties, fixed by the Criminal Code at a time when the mark meant a gold mark, it became ludicrously inadequate to deal with false returns of income, false declarations of dutiable goods, and the covert export of securities ; the nominal character of the mark made the penalty so trivial as to constitute a direct inducement to take the risk. Officials with a fixed salary found the purchasing power of their salaries constantly diminishing and became proportionately corrupt. The judges may, as is often alleged, or may not be venal ; what is quite certain is that with their wretched salaries they have every inducement to be. I know of a case where the judge of a high court, receiving a salary equivalent to barely £100 a year, was turned away from the door of his own court by a new usher, who mistook him for a beggar. Police, customs officials, rail-

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way officials, housing officials, indeed every class of civil servant who has favour to bestow, a penalty to impose, or a fee to exact, are all notoriously subject to bribery. The fluctuations of values have infected the whole community with the gambling mania, and theft and embezzlement to obtain the necessary capital are eating like a disease into society. The post-war criminal statistics, which I have before me, tell a fearful tale and the prisons are so full as to present a housing problem of their own. Respect for the distinction between *meum* and *tuum* has almost disappeared, and neither public property nor private, neither sacred nor profane, is safe. Museums are rifled of their books and manuscripts, tombs are desecrated for the sake of spoil—neither Goethe's nor Blücher's has been spared—national monuments are stripped of their bronze. Criminal convictions in the

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children's courts have increased threefold. As for morality, in the narrower sense of the word, in Berlin and most of the large towns, the cities of the Plain were not more vile.

I have often discussed these pathological symptoms of the post-war era with thoughtful Germans. No two explanations of them were ever quite the same, and perhaps none was altogether disinterested. General Ludendorff explained to me that there were two things the German people would never understand and would never long endure—the one was Parliamentary government, the other the principle of voluntary military service. His opinion as to the first is not decisive, though there are a great many Germans who would agree with him; on the second, he speaks as one still having authority. Many Germans explain the wide diffusion of crime and

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disorder as due to the absence of conscription ; but if this be true it amounts to a confession that Germany has no political or social vitality of her own, and it is asking a good deal of the Allies to expect them to authorise the restoration of conscription as a kind of Continuation School for the turbulent youth of Germany. But the surprising thing is the number of Germans who desire to restore it despite all the restrictions of personal liberty it involves, despite even their own not too agreeable recollections of what it meant. A German servant of mine, a middle-aged Prussian, once entertained me with stories of the brutality of his N.C.O.s. "When I was a young recruit," he explained, "they used to make me dance with bare feet on the top of a hot oven to the tune of 'Marie, come into the garden,' which one of them played on a flute." "And did you

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dance?" I asked. "Yes," he mournfully replied, "the oven was so hot I couldn't do anything else." Now my Prussian being a member of a militarist society and nothing if not a monarchist, I asked him, "But surely you don't want to bring all that back?" "Why not?" was his answer. "I had to go through it—why shouldn't all these young fellows hanging about the streets have to do the same?"

But our abolition of conscription is not responsible for the present state of Germany. Such a contention entirely ignores the demoralisation produced by the inflation of the currency. Moreover, that inflation, by destroying the middle classes and enslaving the workers, has undermined the political basis of the republic and concentrated all real power in the hands of a few—namely, the great industrialists. No one in this country

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can have any conception of how great their power is, and they are daily annexing one domain after another. They control the banks, they have bought up the two great news agencies, they have obtained command of a very large proportion of the German press, they have cornered the supplies of paper. Until now they have been largely responsible for the amazing discount policy of the Reichsbank, which is itself governed by representatives of the great banking corporations which are only the industrialists under another name. Obtaining money for a long time at 18 to 30 per cent., they have rediscounted the bills of smaller people at 500. With the Ruhr credits they have made untold profits. It is they, not the Government, who tax the people. The assessment of their own earnings by the revenue authorities has been farcical, and their balance-sheets have

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represented the most impudent evasion of taxation in fiscal history. The whole system of taxation, especially the income-tax, instead of operating, as in other countries, to redress inequalities in the distribution of wealth, has actually operated to promote them: the worker paid on his weekly wages which were known, the capitalist on his yearly profits, which were never ascertained; the assessment of the former was in current values, the assessment of the latter in values so obsolete as to be nominal by the time payment was due. German Company Law, in so far as it aimed at protecting the rights of the shareholders, has become a dead-letter; the general meeting has become a farce and is only useful for the exercise of voting power by the big banks holding proxies, while the multiple voting power attached to preference shares has made of German companies the com-

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mercial oligarchies that they are—the full explanation of this state of affairs would be too long to be given here. It is enough to say that in no country in the world is Capital so strong or politically so despotic. The economic form of society fails to correspond to the political theory : a republic in name, it is a capitalist despotism in fact.

It is idle, and indeed mischievous, to blame French “imperialism” for this state of political decay. In so far as it is due to the terms of the Treaty of Versailles there is a joint and several responsibility resting upon all the Allies. But the principal cause, if it is not some political incapacity inherent in the German character, is the inflation policy of the Government, and the origins of that go far back beyond the Treaty of Versailles ; they are rooted in the financial policy of the German Govern-

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ment during the war, a policy which, by its neglect to tax war profits, played directly into the hands of the big industrialists, whose sinister influence at German G.H.Q., on the persistence in a predatory policy of annexations, is a chapter of the history of the war that has yet to be written. Moreover, during the last three years the German Government, instead of retrenching, have pursued a reckless policy of subsidising undertakings, many of which, as I could show if I had the time, are directly or indirectly of a military character, and they have never made any real attempt to tax the wealth of the country. It is, indeed, possible that they had not the power, even if they had the will, to tax ~~it.~~ What is quite certain is that they never tried. By their policy of inflation they hoped to conquer the markets of the world, to renew and extend their

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plant, and to "reconstruct" the whole of industrial Germany. The result was a "boom" of such prosperity as Germany had never known. But it is at an end—virtue is gone out of it, and Germany is faced with the prospect of having to number her unemployed not, as hitherto, by thousands but by millions. The question now is whether the Reich Government, invested as it is with a Parliamentary mandate of unique potency, will be strong enough to enforce its will on the great industrialists and to shackle the military societies. And a still larger question—does it wish to enforce it?

In the Ruhr question, while my judgment is with the British view, my sympathy to a considerable extent is with the French. I speak of the occupation itself, not of the things which have been done under it. I cannot forget that, on the eve of the Ruhr occupation, Germany

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was not only in default with the delivery of a few tons of coal and incidentally with her whole system of taxation, she was in default with the execution of a great many of the military clauses, she was trying to build up a masked army under our very noses, her Army estimates were four times what they should have been. In the course of my inspections of the Army units, I hardly ever found a strength return, a "rank-list," a nominal roll, an attestation form, or a pay-sheet which I could trust, and the experience of all the officers serving under me was the same. In entering the Ruhr, France seemed to nip all that covert military revival in the bud, and at the same time, paradoxically enough, she promoted its efflorescence. The Ruhr is the arsenal of Germany in that nearly 100 per cent. of all her gun steel during the war was made there and, because of the qualities

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of the Ruhr coke, it could be made nowhere else. Whoever holds the Ruhr holds the keys of the German arsenal. On the other hand, whoever holds it by force reawakens the whole spirit of militant patriotism in Germany. There is the riddle of the Ruhr.

On the last occasion on which I saw him, Herr Stresemann propounded to me the view that the German Government's authority at home was undermined by the absence of respect it received abroad—particularly by the violations of its sovereignty in the Ruhr. For that both the French and the Germans are to blame—the Germans in that you cannot run a policy of “passive resistance” on the principle of limited liability: all the extremist parties in Germany complained that the resistance was too passive, and took the law into their own hands against both their own Government and the

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French. The French in their turn, beginning with an "invisible" occupation, as General Degoutte described it to me at the outset, gradually made it more visible until the glare of it afflicted every German immediately subject to it with a kind of political ophthalmia—his whole political vision was both distorted and inflamed. In drawing up the Rhineland Agreement, I made it my object to make the occasions of contact between the civil population and the military occupant as rare as possible, and I think, putting on one side the question of the legality of the Ruhr adventure, this is the only sound rule for a military occupation projected into a time of peace. Herr Stresemann's statement to me, in so far as it represented, if it did represent, a repudiation of the "Erfüllungs-politik," i.e. the policy of fulfilment, is not one which the Allies can afford to admit,

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but it contains an element of truth. What you have to remember is that every German Government which attempts to carry out the Treaty is between the devil and the deep sea, for the Treaty has never had the assent of the people behind it. If the Government does not carry out the Treaty, it has to encounter the sanction of the Allies; if it does carry it out, it has the poniard of the assassin pointed at its back. Of three Ministers who were responsible for the acceptance or execution of the Treaty, and have been marked men ever since, two have been murdered and the third has barely escaped with his life. If the Allied policy is so harsh and unconscionable that Germany cannot fulfil it, if the indemnity she has to pay still remains so unliquidated that she cannot know it, it is idle to expect that any Government which attempts to carry out the Treaty will be

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able long to govern. In that case the Republic is doomed, and the advent of an undisguised dictatorship, accompanied perhaps by total repudiation of the Treaty, cannot long be delayed. Germany is, it is true, at the moment to all appearances breaking up, but a "break-up" of Germany in the sense of a lasting centrifugal movement of the constituent States there will not be; the process of mediatization a hundred years ago and the work of Bismarck will not be undone, the centralising tendencies of the Revolution of 1918 in public finance and public administration cannot be permanently reversed, and all the economic forces which make for centralisation in every modern federal State—in banking, transport, taxation, company finance, commercial law, industrial law, and the integration of capital—will not be arrested. Germany will not break up into self-subsisting

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States because she cannot. English writers seem to forget that the Treaty of Versailles has had an immense consolidating effect on Germany—partly by substituting one homogeneous German Army for the armies of Prussia, Bavaria, Saxony, and Würtemberg, partly by external pressure, partly by the necessity of compelling the federal Government to annex all the assets of the constituent States in the shape of taxable capacity in order to meet the Treaty liabilities of the Reich. The States are absolutely dependent on the Reich. If they attempt to break away, the German Army will reconquer them as only a few days ago it conquered the disruptive elements in Bavaria and Saxony, and in the process the Army, as the only hope of order, is reacquiring the lustre it had lost, for Germany will have learnt once again the prestige of force.

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To aid and abet anarchy in Germany is not going to secure the peace of Europe. I admit that it will contribute to the complete decay of all constitutional forces, that it will completely destroy the equipoise of German society, and indeed destroy everything in Germany that makes for a stable civilisation. "Good! so much the better!" I can hear some implacable enemy of Germany say. But to him I would answer, "Don't you realise that that is just what certain Germans want?" The cult of Nietzsche is not dead in Germany, and I will tell you where its most fervent disciples are to be found—among the war-gods of the old German General Staff. It is not generally known in England that quite early in the war the German General Staff desired to close all the schools and Universities in Germany and to conscript every man, every woman, and every

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child of fifteen, and to harness them to the mills of war. The plan was defeated by what I may call the opinion of cultivated people in Germany ; but wipe out that cultivation as it is being wiped out to-day, and what a field you have left for exploitation by some great military adventurer of German blood, who, calling in the dark forces of Russia, will appeal to sixty millions of German people so desperate that they have nothing left to lose, and sweep like an avalanche across the West ! Don't imagine, as some of our friends across the Channel imagine, that a state of anarchy in Germany is a security for the peace of France. It is on a state of anarchy that all great military oligarchies arise. More than that, if you employ force without restraint upon a people, as our Allies are doing to-day, you will end by teaching them to believe in nothing else. If you want to arrest

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the reconversion of Germany to the gospel of force you must, paradoxical though it may sound, set limits to your own employment of it. I was asked the other day by a distinguished statesman, Mr. Austen Chamberlain, who did me the honour to invite my views, what I would *do* at this crisis in the policy of the Allies towards Germany. I won't tell you my answer—my task to-night is to diagnose, not to prescribe ; in any case my remedy was so unconstitutional that I should risk whatever reputation as a constitutional lawyer I may possess by making it public. But I will tell you what I would *not* do. I would not wait upon events. The sands are running out and every day makes Germany's reconversion to the gospel of force more certain. And one thing, among other things, I *would* do—I would make concessions to Germany, though it is not necessary for me to say

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what they would be. It is not a question of what you have a *right* to demand from Germany, but of what you can hope to get ; not of what the Treaty says you *may* do, but of what you ought to do. If you want to insure the peace of Europe, bear in mind that legal doctrine of insurance which is called the law of general average.

For urging that plea of mitigation I make no apology—and I hope that none is needed. I am not, to use a vulgarism, a “pro-German,” but I think I know something of modern Germany. I hope it is not a disqualification for having views about her. There is a great statesman, to whom our country owes a debt it can never adequately repay, who, in the days before the war, set himself to understand the German character, to appraise the forces of good and the forces of evil inherent in it, and who strove for

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peace while he prepared for war. Some day the whole story will be told—it has not been told yet—of how in his visits to that country, while doing everything he could to avert a catastrophe which every sober man now wishes had been averted, he watched, observed, appraised its military organisation and divined its strategic plans. His reward, when the catastrophe came, was a storm—a passing storm—of ill-informed abuse, and the only foundation for it that I have ever been able to discover was that he spared no pains to understand the country in which the forces of good and the forces of evil were, even as they are now, striving for the mastery. The question has often been discussed, “Who won the war?” It is rather a silly question, and there are so many competitors for the palm among those who were least exposed to it—for the soldiers are apparently not in

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the running—that I will make no attempt to answer it. But I will tell you who the German generals think—and after all they ought to know—alone made it possible for the Allies at the outset not to *lose* the war—and that was the distinguished statesman who sits in the chair here to-night—the creator of the British Expeditionary Force. General von Kluck told me as much. He naturally spoke with some feeling on the subject, but the reluctance of his tribute does not make it any the less sincere. There are many distinguished soldiers here to-night who, without his reluctance, would endorse that tribute. And the moral of my digression is, I hope, obvious. It is this: you will be much better equipped to encounter the German problem if you make some attempt, and a dispassionate attempt, to understand her. But if you don't mitigate your terms, what will

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happen? You will make Germany desperate, and a desperate Germany may yet be dangerous. I admit—indeed I have tried to show to-night—that Germany, principally by her policy of inflation, has been largely the artisan of her own ruin. Her policy has been *suicidal*, and suicide, as we know, is a felony. I am not sure that that suicide is not deliberate, but it is as well to understand the mood which is now beginning to inspire it. Germany found herself by the Treaty of Versailles a captive giant in the hands of Europe, her locks shorn, her eyes put out—an object of derision to some, of contempt to others, of antipathy to all. Her captors put her to grind for them and girt her round about with a wall of steel, saying, “Our god hath delivered our enemy into our hands.” Now in the temple of European society there are two pillars upon which

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the whole of that temple rests—one is the pillar of credit, the other is the pillar of law, and law is only another name for moral order. And I sometimes think that like the captive giant in the Temple of Gaza, Germany, in her agony and her shame, is putting forth her hands to grasp the two pillars upon which European civilisation rests and has breathed this prayer, “O Lord God, remember me, I pray Thee, and strengthen me, I pray Thee, only this once, O God, that I may be avenged upon mine enemies.” If she is to go down into the abyss, she is determined to drag all Europe down with her. And I think that such a catastrophic policy is still within her power. She is still a giant, if a maimed giant—how strong we never realised until we began to disarm her.

I am often asked if Germany is disarmed, and my reply to that question is

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to put another: "What do you *mean* by disarmament?" And do you mean permanent disarmament? We destroyed German guns—some thirty-five thousand of them; we smashed up rifles—some millions of them; we blew up fortresses, we dynamited powder factories, we dismantled Krupp's. But there were three things we never succeeded in destroying, nor could destroy—men, industry, science. Of the problem of men—of effectives—I speak with some feeling, for one of my principal tasks, as Deputy President of the Effectives Sub-Commission, was to secure the demobilisation of the Old Army and the limitation of the New. And four years' experience have convinced me that you cannot hope, by anything short of a military occupation of the whole country, to limit the effectives of the armed forces of a great nation unless you can carry the opinion of the nation

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with you. As to industry, there is only one way of disarming a great industrial nation—it is by destroying her industries. War has come to be so technical, indeed so mechanical, that every great engineering shop is a potential arsenal, and the plant that makes a compressed-air cylinder or a propeller-shaft is almost equally susceptible of making a gun-tube. A year ago we circularised our officers in the industrial districts of Germany with a series of interrogatories as to how long it would take Germany from the date of the departure of the Commission to attain her maximum war production of arms and munitions. I am not going to give you the answers—they are secret—but if I did I think they would astonish you. As for science, the question has been asked, “What does such a war as the last owe to science?” and the late Lord Moulton answered, with little or no

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exaggeration, "It owes its very possibility to it." No country is "disarmed" if, after all the destruction of *matériel* that can be effected and the demobilisation of its armed forces, it has still got lethal secrets up its sleeve. The contributions of science to the art of war are so far-reaching as to have revolutionised tactics and profoundly affected strategy, and it is difficult to say whether physics or chemistry, to adopt a classification of the natural sciences which, with the development of thermochemistry and electrochemistry, is already obsolete, made the greater contribution of the two. Thermodynamics gave us the internal-combustion engine, and with it the aeroplane and the tank, thus revolutionising infantry reconnaissance, artillery observation, and infantry tactics. Thermochemistry introduced the contact process which has made possible the production

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of synthetic ammonia and thereby opened up a new and inexhaustible supply of the most active agent in the manufacture of explosives. Physics has revolutionised range-finding by the introduction of sound-ranging instruments ; it has profoundly altered the military art of signalling by the discovery of wireless. Carbon chemistry, by calling into existence an ever-increasing number of "organic" compounds, has created artificial dyes, and the manufacture of artificial dyes has opened the road to the manufacture of poison gas. There is a chemistry of explosives. There is a chemistry of gun-steel. Not all these applications of science to war were secret ; some of them, especially in the realm of physics, were already public and were the common scientific heritage of all the belligerents ; but in the domain of chemistry Germany had many prerogatives. Of one of those prerogatives

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nothing could or can deprive her—it is her organisation and encouragement of scientific research, and it was one of Lord Haldane's many and illustrious services to his country that for years before the war he urged us to imitate her. The authors of the Treaty of Versailles decreed that she should yield up to us any secret processes which had been "used by her in the war" or "prepared for the purpose of being so used." Interrogatories of the most searching character, dealing with explosives, propellants, and toxic gas, were drawn up by our Commission—and forwarded to the German Government. The German Government handed them over to a committee of German *savants*, presided over by Professor Haber, the redoubtable head of their Poison Gas Research Department, for them to answer. It was a unique occasion and not without an element of paradox. These eminent

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professors, whose undergraduate days were long passed, were required to sit down and answer a series of examination papers in an examination conducted by a foreign Commission of military officers. If it be true, as someone has said, that by the age of twenty-two examinations have done all the good but not nearly all the harm they can do a man, the professors deserve one's sympathy. But it was the first time in academic history that an examination has been conducted in which the examinees have done their utmost to fail. The learned professors had not the slightest desire to satisfy the tests applied by the Commission or to earn full marks. They desired to share the laurels of our old friend the Babu student who added to his name the impressive decoration "Failed B.A." To fail the Allied Commission was to oblige the German Ministry of War. Their first answers

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were so unsatisfactory that they had to be examined again. To test the practical value of them, the Explosives dossiers were sent to the Central Powder Laboratory in Paris. I am not going to tell what we discovered. But we really learnt very little. You can take a horse to the water but you cannot make him drink. And in any case the Treaty confined our powers of inquisition to inquiring into what had been done in German laboratories during the war ; it gave us no power to prosecute our inquiries into what has been done since the Peace. Of what is going on in those laboratories at the present moment we know, and can know, nothing.

One word and I have done. Consider this : if you look at the military clauses of the Treaty you will find the following preamble :

“In order to render possible the initiation of a general limitation of the armaments of all nations, Germany undertakes strictly to observe the military, naval, and air clauses which follow.”

Preambles are dangerous things. If Germany considers, as well she may, that her consent to the execution of the military clauses is conditioned by the initiation of a general limitation of all armaments, and then looks around her, what does she find? She is enveloped in a shirt of steel. She is encompassed about by nations great and small, none of them too friendly, who, so far from disarming, are armed to the teeth. Not a single continental State, except the late enemy States acting under compulsion, has abolished conscription. The Germans do not forget this nor, unfortunately, are

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they allowed to forget it. And so long as they remember it and have cause to remember it, so long will the disarmament of Germany be a relative and a hypothetical thing. If international asperities and high-handed acts, which I will not so much as name, keep alive international hatreds, handing them on from father to son, what, short of an armed occupation of the whole of Germany, is going to keep Germany disarmed and demilitarised? If you want peace, you must begin with an Act of Oblivion and Indemnity which will blot out on both sides the bitter memories of transgressions like a cloud and of iniquities like a thick cloud. Waiting on us as the head of a deputation of German Trade Unionists to protest against certain measures for dismantling a State arsenal which they feared would throw men out of employment, a German workman said: "If one admits that it is

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necessary to seize every machine, it would be necessary to seize every German mother who bore a son to serve in the war, for it is man who made the war, and not machinery." That remark is almost as true as it was impressive. Even if you destroyed the machine, you could not destroy the man. But can you do the one any more than you can do the other? Wherever a country has reached a high degree of engineering and mechanical and chemical development, there, in spite of all the international programmes of international idealists, the race, in the event of a sudden resumption of hostilities, will always be to the industrially swift and the battle to the industrially strong. The peace of the world is not to be assured by an eirenicon from The Hague or an encyclical from Geneva, nor will any international reduction or standardisation of military establishments achieve

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'it. Nothing but what the old Puritans called "a change of heart" in the sons of men can ensue it. Material disarmament will never be certain or complete until "moral disarmament" has made it unnecessary.